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UNCLAS SECTION 01 OF 02 BRUSSELS 001431

SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
STATE FOR DRL/IL

E.O. 12958: N/A

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SUBJECT: EU-15 UNEMPLOYMENT UNCHANGED AT 8.0 PERCENT

1. SUMMARY. Aggregate unemployment in the EU-15 was 8.0 percent in February 2004. The rate was unchanged compared to the seven previous months and the February 2003 rate. The ten acceding countries showed a 14.2 percent average unemployment rate for February 2004, also unchanged for the past five months. END SUMMARY.

2. With seasonal adjustment and compensation for differences in national statistical methods, the EU-15 unemployment rate stood at 8.0 percent in February 2004, according to estimates released by the Commission's Statistical Office (EUROSTAT) on April 1. The aggregate rate was unchanged compared to the seven previous months and the corresponding month of 2003.

3. The unemployment rate for the euro zone (the twelve EU countries participating in the euro) was also stable at 8.8 percent in February 2004, again unchanged since July 2003 and showing a marginal increase from 8.7 percent in February 2003.

4. The lowest rates among the EU-15 (February 2004 rates unless otherwise indicated) were recorded in Luxembourg (4.0 percent), Austria (4.4 percent), Ireland (4.5 percent) and the Netherlands (4.5 percent, January 2004). Spain (11.2 percent) still showed the highest unemployment rate among the EU-15.

5. EUROSTAT noted that among the EU Member States that contributed data for at least one month in the period December 2003 - February 2004, nine showed an increase in their unemployment rate over the past twelve months, four a decrease and one recorded no change. The most significant increases in unemployment rates were recorded in the Netherlands (from 3.2 percent in January 2003 to 4.5 percent in January 2004), Sweden (from 5.1 percent in February 2003 to 6.4 percent in February 2004), Denmark (from 5.1 percent in January 2003 to 6.1 percent in January 2004), and Luxembourg (from 3.3 percent in February 2003 to 4.0 percent in February 2004). By contrast, Italy's rate decreased from 8.9 percent in January 2003 to 8.5 percent in January 2004, the UK's decreased from 4.9 percent in December 2002 to 4.8 percent in December 2003, Spain's rate decreased from 11.4 percent in February 2003 to 11.2 percent in February 2004, and Finland's from 9.0 percent in February 2003 to 8.9 percent in February 2004. Ireland's rate was unchanged at 4.5 percent in a February-to-February comparison.

6. EUROSTAT estimated male unemployment for the EU-15 to have increased from 7.2 percent in February 2003 to 7.3 percent in February 2004 (from 7.7 percent to 7.8 percent for the euro zone). The female rate over the same period remained the same (8.9 percent) for the EU-15 and increased from 10.1 percent to 10.2 percent for the euro zone.

7. Unemployment rates among young people under 25 ranged from 7.2 percent in Austria (February 2004) to 27.1 percent in Italy (January 2004). The rate for this age group in February 2004 was estimated at 15.5 percent for the EU-15 and 16.8 percent for the euro zone, compared to 15.6 percent (thus down 0.1 percentage point) and 16.8 percent (unchanged) respectively in February 2003.

8. EUROSTAT estimated that 14.2 million were unemployed in the EU-15 in February 2004 (12.4 million in the euro zone). Following is the breakdown of unemployment rates for the individual EU Member States:

(Seasonally-adjusted)

	FEB 2004	JAN 2004	CHANGE
Belgium	8.5	8.4	plus 0.1

Denmark	N/A	6.1	
Germany	9.3	9.2	plus 0.1
Greece	N/A	N/A	
Spain	11.2	11.2	
France	9.4	9.5	minus 0.1
Ireland	4.5	4.5	
Italy	N/A	8.5	
Luxembourg	4.0	3.9	plus 0.1
Netherlands	N/A	4.5	
Austria	4.4	4.5	minus 0.1
Portugal	6.8	6.8	
Finland	8.9	8.9	
Sweden	6.4	6.0	plus 0.4
UK	N/A	N/A	

19. While no combined figures are offered (yet) for the EU-25, EUROSTAT publishes monthly rates for the ten "accessing countries" expected to join the EU on May 1, 2004. The average rate for the "ten" was 14.2 percent in February 2004, unchanged for the past six months and down from 14.4 percent in February 2003. The ten's rate remains heavily influenced by the situation of the labor market in Poland (19.1 percent unemployment) and Slovakia (16.7 percent). The country-by-country breakout was as follows:

	FEBR 2004	JAN 2004	CHANGE
Czech republic	8.2	8.2	
Estonia	9.4	9.5	minus 0.1
Cyprus	4.8	4.8	
Latvia	10.6	10.5	plus 0.1
Lithuania	11.6	11.7	minus 0.1
Hungary	5.9	5.9	
Malta	N/A	8.8	
Poland	19.1	19.1	
Slovenia	6.4	6.4	
Slovakia	16.7	16.6	plus 0.1

110. NOTES. The monthly rates and numbers of unemployed are estimated and based on data from the annual EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

- Are without work;
- Are available to start work within the next two weeks; and
- Have actively sought employment at some time during the previous four weeks.

SCHNABEL